

## THE OBLIGATION OF CONTRACTS.

For the present, at least, the export of gold to Europe, which began last Tuesday, has come to a halt, and, although it has reached only the insignificant amount of \$1,300,000, it has caused considerable trouble since it has been taken by the Treasury to avoid furnishing even this small quantity of the metal from its own stores. The Treasury has been unable to replenish its stock, and the market has been thrown into a state of confusion. The Treasury has been unable to replenish its stock, and the market has been thrown into a state of confusion. The Treasury has been unable to replenish its stock, and the market has been thrown into a state of confusion.

That, with the low rate of interest prevailing in Europe, any gold whatever should be drawn from this country, can be accounted for only by the distrust of our currency which the free silver agitation has created among European capitalists. For example, the rate of England is at 3 per cent. per annum, call money can be had at 1 per cent., and three months' bills are discounted at less than 1 per cent. The effect upon investments has been to put consols up to 110 1/2, at which price they yield only a little over 2 per cent. per annum, and the rate of good municipal and railway bonds up to 105, at which their yield is barely 2 1/2 per cent. In Paris, Berlin, and Vienna the rates for money are higher, but still they are far below those that prevail here in New York. Were it not for the dread of free silver, millions of dollars would be sent here for investment, and the Treasury would come in the shape of the very gold lately exported.

In view of this fact the ambiguous utterances of the leaders of both political parties in regard to the silver question are greatly to be deplored. Every one knows that the point before the country for its decision is whether our monetary standard shall continue to be the gold dollar, or whether it shall be changed to silver, coined at the ratio of 16 to 1. The silverites have no hesitation in demanding 16 to 1 silver, but far too many so-called sound money men take refuge in professions of a desire to maintain the parity of all kinds of money, gold, silver, and paper. The advocacy of what they call international bimetalism, the latter subterfuge is as immoral as it is evasive. Bimetalism, at the market rate of silver and gold, needs no international agreement other than that made by buyers and sellers from day to day, and the adoption of the ratio of 16 to 1, or of any other ratio, is an international compact, which, as the British Chancellor of the Exchequer bluntly told the bimetalists the other day, "an act of absolute dishonesty to creditors."

The defenders of the gold standard will come to a great error if they allow the certainty to continue until the Presidential election. The man who says that he is in favor of international bimetalism is, under another name, substantially in favor of all the mischievous results of free silver. It may, possibly, be a clever political device to profess friendship for the free coinage of silver under conditions known to be impossible of fulfillment, but the out-and-out silverites will not be deceived by it, and the supporters of the gold standard do not need that kind of help. For of the European nations which, it is conceded, are indispensable parties to an international bimetallic compact, not one has yet accepted the measure, and it is tolerably certain to reject it whenever it comes before them. Great Britain, so far, has pronounced decisively against it, and without her consent nothing can be done. The silverites see this, and, very properly, from their point of view, insist on proceeding alone.

The fact is, that bimetalism of all kinds is a substantial fraud with the free silverites. Both insist that gold monometallism is unduly beneficial to workmen, whose employers, paying wages in gold, have to compete with the employers of the cheap labor of silver countries, and both insist that the value of gold shall be diminished in order to raise the prices of commodities and thus, virtually, to reduce wages. Both, too, profess to champion the cause of debtors, who, having incurred their debts in days when commodities were dearer than they are now, are unable to pay them. Those debts, a larger quantity of commodities than would be required if prices were measured in silver instead of in gold. Just as the Manchester cotton spinners complain of the competition of the Asiatic cotton mills, and demand that the Asiatic mills be taxed, so do our Western farmers and cotton planters complain of the lower prices of wheat and cotton. And as the silverites never weary of pointing out that it now takes, under the gold standard, two bales of cotton and two bushels of wheat to pay a given debt, whereas one bale and one bushel would be required under free silver, so do the bimetalists.

It is a melancholy proof of the disposition of human nature to be swayed by prejudice and passion rather than by reason, that so many men, otherwise intelligent, find in the augmentation of the value of debts through the depreciation of the value of the money which they are to pay, a reason for abandoning that standard and adopting one under which debts will be diminished. The facts that millions of creditors are poor people, who have saved a few hundreds of dollars apiece from the earnings of their labor, that millions more are creditors every day, and every creditor who employs who pays them wages, and that thousands of debtors are worth their millions and borrow from the poor for the purpose of gaining more millions, are completely disregarded. The fact, too, is overlooked that many of the Western farmers and Southern planters, for whom the standard is invoked on account of the mortgages on their land, gave those same mortgages in payment for the land at one-tenth the price it will now bring in the market. Nobody proposes that the original seller shall be compensated for what he lost by selling too cheap, but no hesitation is felt in insisting that he shall be made to take money of half the value of that for which he bargained! This is to be accomplished by debasing the national coinage, but it would be no more dishonest and less cowardly if it were done by openly exacting that, for all debts now in existence, half the principal shall have the legal tender power of a dollar.

One of the worst provisions of the Federal Constitution is that no State "shall pass any law impairing the obligation of contracts." And in practice, the prohibition has been tacitly held to apply to legislation by Congress. The reason for the provision is like that for the prohibition of false swearing and for the social penalties visited upon lying. Society cannot hold together unless men tell the truth to one another, and business would be gravely hampered if all bargains were liable to be set aside at the caprice of legislatures. Now, a contract to pay money is an obligatory act, and the contract to render services or to furnish goods. No one pretends that a contract to deliver merchandise at an agreed price is not to be enforced merely because in the interval between the contract and the execution the merchandise has risen in value, and it is surely as unjust to enforce it because the merchandise has fallen.

The newer economy made to this presentation of the case is that the lender of money is not entitled to any increase in his purchasing power which may accrue after he lends it. All that he can justly demand is, it is said, an amount of money as obligatory as the contract of sale of commodities, that the amount lent would have bought when he lent it. This view has been adopted by some political economists that they have exhausted their ingenuity in devising a measure of value to serve as money for payments deferred to the future, they shall constantly be of the same purchasing power at the time as well as another. While they think that gold varies in its purchasing power less than any other valuable substance, still, as it varies somewhat, they would substitute for it some other commodity or combination of commodities, or human labor of a certain quality. The fact, however, is that no matter what article may be adopted as a standard, its value in comparison with other articles must

fluctuate for the simple reason that all articles vary in supply and demand, in cost of production, and in all the other elements which go to determine their market price. The buyer of property on credit certainly does not expect it to remain exactly at the price he pays for it. He hopes that it will rise, but he also knows that it may fall. The seller, likewise, hopes that he has got for what he sells all that it is likely to be worth; but he also knows that he might, possibly, have done better to hold it. Both take the chances of the future, and neither can justly complain if he is disappointed.

All this, however, is aside from the obligations of the contracts by which existing debts have been created. The proof that the bimetallic and bimetalists are dishonest is that they insist on applying their proposed new standard to present debts, no less than to those hereafter to be contracted. Some of them go so far as to demand that contracts for the payment of debts in gold hereafter made or hereafter to be made shall not be enforceable at law. They would be just as much reason in enacting that contracts for the future delivery of wheat or of cotton shall not be thus enforceable, and, indeed, a bill to that effect was reported to Congress a year or so ago, but happily failed to pass. It is gratifying to observe that the business men of the country are becoming alive to the importance, as a matter of good policy, of maintaining the gold standard, and that they are demanding from Presidential aspirants an explicit statement of their position upon the question. Their arguments are, however, directed only to the financial evils which would result from the triumph of silver; it remains for the community at large to insist upon the moral wrong which would be done to creditors by impairing the obligation of the contracts made by them or their debtors. It was this moral force which, when fully recognized, threw negro slavery, and it needs only to be aroused now to be equally potent in overthrowing the gigantic robbery planned by the silverites and the bimetalists.

MATTHEW MARSHALL.

## FINANCIAL AND COMMERCIAL.

New York Stock Exchange - Rates and

Bureau the Week Ending April 11, 1896.

UNITED STATES AND STATE BONDS (In \$1,000s).

Name	Open	High	Low	Close
4.00 U. S. 4s, 1897	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1902	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1907	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1912	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1917	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1922	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1927	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1932	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1937	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1942	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1947	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1952	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1957	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1962	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1967	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1972	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1977	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1982	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1987	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1992	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 1997	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2002	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2007	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2012	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2017	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2022	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2027	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2032	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2037	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2042	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2047	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2052	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2057	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2062	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2067	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2072	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2077	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2082	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2087	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2092	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2097	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2102	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2107	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2112	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2117	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2122	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2127	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2132	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2137	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2142	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2147	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2152	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2157	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2162	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2167	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2172	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2177	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2182	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2187	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2192	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2197	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2202	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2207	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2212	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2217	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2222	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2227	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2232	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2237	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2242	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2247	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2252	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2257	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2262	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2267	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2272	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2277	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2282	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2287	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2292	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2297	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2302	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2307	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2312	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2317	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2322	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2327	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2332	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2337	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2342	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2347	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2352	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2357	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2362	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2367	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2372	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2377	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2382	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2387	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2392	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2397	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2402	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2407	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2412	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2417	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2422	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2427	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2432	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2437	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2442	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2447	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2452	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2457	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2462	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2467	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2472	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2477	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2482	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2487	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2492	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2497	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2502	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2507	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2512	109 1/2	109 3/4	109 1/4	109 1/2
4.00 U. S. 4s, 2517	109 1/2	109 3/4	109 1/4	10